

BILL # SB 1196

TITLE: in-state tuition; spouses

SPONSOR: Gray

STATUS: Senate Engrossed

REQUESTED BY: Senate

PREPARED BY: Shelli Carol

FISCAL ANALYSIS

Description

This bill would allow the legal spouse of an Arizona resident to claim in-state tuition status at Arizona universities and community colleges upon arrival in the state.

Estimated Impact

The JLBC Staff estimates that any tuition collection decreases or enrollment expenditure increases as a result of this bill would likely be minimal. Since the bill would affect only a small subset of legally married couples relocating to Arizona, it is not projected to change long-term enrollments or their associated financing.

The state universities concur with this assessment and add that the bill would more probably cause a time shift in tuition collections and enrollment expenditures. The universities assume that newly arrived spouses with intentions of pursuing higher education currently choose to wait one year, after which they can claim in-state tuition status. This bill, then, would allow such spouses to begin their educations one year earlier.

Analysis

Under current statute, anyone living in Arizona for 12 months, who can prove financial independence (usually through tax returns) and intent to remain in Arizona (usually through motor vehicle and voter registrations, as well as employment, bank, and property records), qualifies for in-state tuition status. In several unique situations, one spouse might qualify for in-state tuition while the other does not. These would include an Arizona resident marrying a non-Arizona resident and the latter spouse relocating to the state, an Arizona resident temporarily living outside Arizona without losing Arizona residency and returning to the state with a non-resident spouse, or instances where a married couple chooses to relocate to Arizona one at a time.

Circumstances under which only one spouse qualifies for in-state tuition do not include employer transfers, military stations, or honorable discharges with intent to live in Arizona. In these latter cases, current statute qualifies both the person and one's spouse for in-state tuition upon arrival in the state.

The state universities collect information neither on the marital status of students, nor on the events that brought them to Arizona. However, the universities state that the numbers of students for which such specific conditions apply is likely to be small. Additionally, since out-of-state tuition is over three times more expensive, the universities believe that any newly arrived spouse would probably choose to wait one year for in-state tuition status, rather than to pursue education immediately at a higher cost. As a result, this bill is most likely to change the timing of entry for these select individuals. This bill is unlikely to encourage the university or community college attendance of previously uninterested persons.

For the 2004 - 2005 academic year, the state universities charge between \$4,062 and \$5,127 for in-state tuition and between \$12,592 and \$13,647 for out-of-state tuition, depending on campus and class level. Additionally, the state traditionally provides around \$5,200 in General Fund support for each new enrolled full-time university student and around \$950 in General Fund support for each new enrolled full-time community college student.

Overall, the universities would not be losing tuition revenues so much as receiving them a year earlier. Additionally, the General Fund would not face any further enrollment growth, so much as having to support it a year earlier. In the distinctive circumstance where an eligible spouse would enter the university system immediately upon arrival, this bill would cause the

universities to lose between \$8,520 and \$8,980 in tuition revenues once for each such student. By the second year, such students would qualify for in-state tuition under current statute.

Local Government Impact

In the distinctive circumstance that an eligible spouse would enter a community college immediately upon arrival, this bill would cause a one-time decrease in tuition collections. More likely, the bill would cause the community colleges to receive tuition and state support for eligible spouses one year earlier.

2/22/05